

Minutes

April 22, 2015

N. C. Board of Agriculture

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Casey M. Armstrong

Kirk Mathis

Maurice K. Berry, Jr.

Mark Peters

Doug Boyd

Bert Pitt

Tommy Burleson

Robert Sutter

John William Carter, III

Jeffrey Turner

William Johnston

Steve Troxler, Chairman

## Table of Contents

Call to Order and Reading of Ethics Reminder

Approve Minutes from the January 14, 2015 and March 4, 2015 meetings

Referendum Request – Tobacco Research Assessment

Referendum Request – NC Cotton Producers Association

Adoption of Fee Schedule

- 1) State Fair – Admission Prices
- 2) Farmers Markets, Ag Centers, and Mountain State Fair Admission Prices

HB 74: Periodic Review and Expiration of Existing Rules

- 1) 02 NCAC 20B: Regulations of the State Fair
- 2) 02 NCAC 37: Agronomic Services
- 3) 02 NCAC 60A: Division of Forest Resources
- 4) 02 NCAC 60B: Division Programs
- 5) 02 NCAC 60C: Forest Practices Guidelines Related to Water Quality

Other Business

- 1) Legislative Update

## Minutes

April 22, 2015

### N.C. Board of Agriculture

The April 22, 2015 Board of Agriculture meeting was held in Raleigh, NC at the Martin Building, on the N.C. State Fairgrounds. Commissioner of Agriculture Steve Troxler called the meeting to order at 2:00 p.m. and read the Ethics Reminder. The following Board members were present: Casey Armstrong, Maurice Berry, Doug Boyd, Tommy Burleson, Billy Carter, Billy Johnston, Mark Peters, Bert Pitt, and Bob Sutter. Kirk Mathis joined the meeting by phone.

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Commissioner Troxler began the meeting by introducing Joe Sanderson, the new Director of the Marketing Division, and Joe Hudyncia, the Department's new Environmental Programs Specialist. Commissioner Troxler then reported on the recent trade mission to China where 51 people and 5 teams pulled off an aggressive agenda to have a successful trip.

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The first official item on the agenda was approval of the minutes from the January 14, 2015 and March 4, 2015 meetings.

Billy Johnston made the MOTION, which was seconded by Doug Boyd, to accept the minutes. Commissioner Troxler asked that the number of visitors to Dupont State Forest, listed in the January 14, 2015 minutes, be updated with the correct number. The MOTION then passed unanimously.

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Mr. Keith Oakley, with the N.C. Tobacco Foundation, presented a request to conduct a referendum for the continuation of the Tobacco Research Assessment. This is a state-wide referendum that is required by law every six years as part of the Nickels for Know How legislation. It must be passed by a 2/3 majority of tobacco growers.

The MOTION was made by Billy Carter to authorize the referendum for continuation of the Tobacco Research Assessment. The motion, seconded by Bert Pitt, passed unanimously after no questions were presented.

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David Parrish, the CEO of the North Carolina Cotton Producers Association, presented another request for a referendum. The request is to continue their cotton promotion assessment of up to \$1.00 per bale for an additional six year period. They intend to continue with the current assessment of 80 cents for the 2016 – 2021 crop years.

Bert Pitt made the MOTION, which was seconded by Doug Boyd, for the NC Cotton Producers Association to conduct a referendum to continue their cotton promotion assessment. With no further questions, the motion carried by unanimous vote.

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Wesley Wyatt, State Fair Manager, asked the Board to approve new admission prices for the N.C. State Fair that would go into effect with the 2015 fair. The increase of one dollar would apply to advance adult, group adult, gate adult, gate child, and military tickets. The increase takes into account the repeal of the exemption for agricultural fairs as it pertains to sales tax on admission, and would allow the fair to maintain expenses while accounting for the tax.

Maurice Berry MOVED to adopt the new State Fair admission prices. The motion was seconded by Casey Armstrong. There was clarification that some of the new revenue from the increase would go to the State by way of tax collection, while the other would remain with the fair. It was also clarified that the full dollar increase takes into account the reality that the fair would not be able to make change at the gates.

With no further questions, the motion passed by a unanimous vote.

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Ron Moore, with the Marketing Division, then presented a request to increase fees at all the farmers markets and agricultural centers, as well as the Mountain State Fair. The changes in the fee schedule have been made every five years, with the most recent increase in January of 2010. The need for the increase comes from the rise in expenses including payroll, insurance, utilities, and maintenance. The buildings are getting older and with that comes an increase in maintenance costs.

Bob Sutter made the MOTION, seconded by Billy Johnston, to adopt the fee schedule presented.

There was some additional discussion around the costs to address code violations in old buildings. It was also clarified that each facility has their own advisory group who had been made aware of the changes and that the increase in fees will remain with each facility and not go into the State General Fund. Commissioner Troxler mentioned the new strategic plan for the farmers market in Western NC that specified the need for an additional \$38 million to get the market where it needs to be. The Board will have a presentation on that plan at the next meeting.

After discussion, the motion carried by unanimous vote.

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The next item on the agenda was the final adoption of the rule reports required by HB 74. The action taken today was for approval of the final agency classifications and will be taken up by the Rules Review Commission at their July meeting.

Wesley Wyatt presented the report for 02 NCAC 20B: Regulations of the State Fair. No comments were received and all classifications are the same as they were in January.

Bert Pitt made the MOTION to adopt the report. The motion was seconded by Doug Boyd and received no questions or additional discussion. The motion passed unanimously.

Dr. Colleen Hudak-Wise presented the report for 02 NCAC 37: Agronomics Services. The report received no comments and the classifications did not change.

Bob Sutter MOVED to adopt the report as presented. The motion was seconded by Billy Johnston and received no comment or further discussion. The motion carried by unanimous vote.

Joe Gilroy discussed 02 NCAC 60A: Division of Forest Resources. No comments were received and all classifications remained the same as presented in January.

The MOTION was made by Tommy Burleson and seconded by Kirk Mathis to adopt the final report. With no questions or further discussion, the motion passed unanimously.

Joe Gilroy also presented 02 NCAC 60B: Division Programs. The classification for 02 NCAC 60B .0202 Summoning Fires was changed from “necessary without substantive public interest” to “necessary with substantive public interest” sometime before the January meeting, but that change did not make it into the report that was adopted at that time. Therefore, this change is reflected in the “Agency Determination Following Public Comment” column.

Bert Pitt MOVED to adopt the report as presented. The motion, seconded by Bob Sutter, received no questions or discussion, and carried by unanimous vote.

Lastly, Sean Brogan presented the report for 02 NCAC 60C: Forest Practice Guidelines Related to Water Quality. One comment was received on 02 NCAC 60C .0209 Rehabilitation of Project Site. Gail Bledsoe, NCFS Water Quality & Wetlands Staff Forester responded to the comment. Since the initial classification of that rule was “necessary with substantive public interest,” the comment did not cause a change in the classification. Therefore, all classifications in 02 NCAC 60C are the same as presented in January.

The MOTION was made by Maurice Berry, and seconded by Casey Armstrong, to adopt the final report as presented. With no further questions or discussion, the motion passed by a unanimous vote.

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Commissioner Troxler asked that it be noted for the record that a quorum had been established earlier, and then called upon David Smith, Chief Deputy Commissioner, to give a legislative update.

A total of 1652 bills have been filed so far in the General Assembly, and as of April 17, 2015, 13 bills have been signed into law. The Department is actively working on two bills, S 579, that would keep the policy in place for no weapons allowed at the State Fair. S 513, the North Carolina Farm Act of 2013, includes a transfer of the cervid program from the Wildlife Resources Commission, modifies proscribed burning requirements for the NC Forest Service, amends our confidentiality statutes to address data at our vet lab and federal data for Soil and Water Conservation, strengthens laws pertaining to Permanent Conservation Easements, and includes several transportation provisions.

The Department is watching 2 bills closely – H 159 that would regulate commercial dog breeders, and H 309 that would legalize the sale of cow shares, allowing a legal form of the sale/distribution of raw milk. Commissioner stated that the Department is against the sale of raw milk for public health reasons.

The budget process is just getting started, with the House going first. The Department has asked for 3 expansion items: \$1 million for Farmland Preservation to continue work on military buffers; \$2 million for Soil and Water to implement the Watershed Assessment and Management Initiative; and \$557,350 for Food and Drug to hire 8 positions to prepare for the Food Safety Modernization Act. We have also provided the Governor's office a list totaling \$247.5 million worth of capital needs including a co-located lab, a new roof for Dorton Arena, and WNC Farmer's Market modernization.



There was discussion on High Path Avian Influenza which has become a problem in Minnesota, Wisconsin, and Iowa. The issues we have seen with this disease in other states show us the need for the consolidated lab here in North Carolina so that we can deal with such issues when and if they arise.

A conversation on the Chinese Trade Mission ensued. Graham Boyd, with the North Carolina Tobacco Growers Association, gave comments on the trip from the tobacco perspective.

Ann Browne, the Board's representative from the Attorney General's office introduced her new paralegal who will assist the Department in matters that go to the AG's office.

The Commissioner then asked each Board member to take a few minutes to update everyone on the conditions in their area and reminded everyone of the Got to be NC Festival May 15-17.



Having concluded the business set forth on the agenda, Commissioner Troxler called for any other business or any other comments from the public. There was no further business or comments. A MOTION was made by Kirk Mathis to adjourn. The motion, seconded by Bob Sutter, passed unanimously. The meeting adjourned at 3:23 p.m.

Recorded and Prepared by:  
Christina L. Waggett

Adopted by the Board this 8<sup>th</sup> day  
of July, 2015.



Steven W. Troxler  
Commissioner of Agriculture  
Chairman



Tina Hlabse  
Secretary